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Administrative Officer, FBIS

9 February 1949

Assistant Chief, Fiscal Branch

Deductions for Government Quarters Furnished

1. Reference is made to telephone conversation of 5 February 1949 in which you raised a question relative to establishing rates to be deducted from salary payments to personnel for Government-owned quarters furnished at Reseda, California, and the Island of Cyprus.

2. With respect to the Island of Cyprus, your attention is invited to 5 U.S.C. 118a which provides, in part, as follows:

"Under such regulations as the heads of the respective departments concerned may prescribe and the President approve, civilian officers and employees of the Government having permanent station in a foreign country may be furnished, without cost to them, living quarters, including heat, fuel, and light, in Government-owned or rented buildings and, where such quarters are not available, may be granted an allowance for living quarters, including heat, fuel, and light, ****; Provided, That said rented quarters or allowances in lieu thereof may be furnished only within the limits of such appropriations as may be made therefor, which appropriations are hereby authorized: Provided further, That the provisions of this section shall apply only to those civilian officers and employees who are citizens of the United States."

Executive Order No. 10011, dated 22 October 1948, authorized and directed the Secretary of State to exercise the above described statutory power of the President. The Secretary of State, under date of 1 December 1948, issued the Standardized Government Civilian Allowance Regulations (Foreign Areas), a copy of which was furnished your office, which refers to the above quotation and sets forth the maximum rates allowable where rent-free quarters are not furnished. It is suggested that you seek a determination from the Director, through proper channels, as to the policy to be followed in connection with Government-owned quarters furnished FBIS personnel permanently stationed in a foreign country.

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- 2 -

9 February 1949

3. With respect to Reseda, California, it will be necessary that the Director approve a schedule of rates which are to be deducted on a bi-weekly basis from salaries of employees occupying Government-owned quarters. As you will recall, similar action was necessary with respect to Emeal in January 1947. In order to provide a basis for determining equitable rates of deduction, it is suggested that statements be secured from several realty organizations operating in the vicinity of Reseda setting forth normal rentals at that point for similar type structures with like furnishings and utility services.

STAT



VLBuckley:hvw

c.c. Mr. Houston
Mr. Saunders
Pay Roll
FPD
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